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AB

SERVICE DATE - JANUARY 27, 1999

SURFACE TRANSPORTATION BOARD

DECISION

SUB-ORDER NO. R-837-E

***The matter of prescribing depreciation rates for use in
computing depreciation charges for railroads***

Issued to

THE ILLINOIS CENTRAL RAILROAD COMPANY

The Illinois Central Railroad Company (IC) has submitted revised life and salvage estimates and depreciation rates for the railroad's equipment property. Accordingly, the depreciation rates in this sub-order replace any rates prescribed in previous sub-orders for IC equipment property.

Supporting life and salvage analyses were supplied by IC. We have given appropriate consideration to the submission and supporting information.

IT IS ORDERED:

- (1)** Illinois Central Railroad Company shall account for depreciation charges by applying to the ledger value of equipment property, owned and used in its operations, the annual composite percentage rates shown herein.
- (2)** The rates shall be effective from January 1, 1999, through December 31, 1999.
- (3)** Illinois Central Railroad Company is hereby ordered to reallocate the book accumulated depreciation in 1998 among equipment accounts and subaccounts as indicated by the calculated guidelines. No amortization of the variance between book and calculated accumulated depreciation for equipment is required.

DEPRECIATION RATES ILLINOIS CENTRAL RAILROAD COMPANY		
A/C NO.	ACCOUNT TITLE	DEPN RATE
LOCOMOTIVES		
52.01	Diesel - Yard	3.39
52.02	Diesel - Road	2.85
FREIGHT TRAIN CARS		
53.02	Box - Plain, 50' and longer	6.57
53.03	Box - Equipped	3.12
53.04	Gondola - Plain	4.07
53.05	Gondola - Equipped	2.40
53.06	Hopper - Covered	2.38
53.07	Hopper - Open Top, General Service	6.14
53.08	Hopper - Open Top, Special Service	2.56
53.10	Refrigerator Cars - Nonmechanical	4.84
53.13	Flat Cars - General Service	1.57
53.14	Flat Cars - Other	3.95
53.15	All Other Cars (excl cabooses)	3.07
53.16	Cabooses	9.68
57	WORK EQUIPMENT	1.22
MISCELLANEOUS EQUIPMENT		
58.03	Trucks	10.54
58.04	Other	6.31
59	COMPUTER SYSTEMS/ WORD PROCESSING	14.57

Decided January 25, 1999, by the Surface Transportation Board's Accounting Board members Aguiar, Blistein, and Warren.

Vernon A. Williams
Secretary